

# NEWS RELEASE



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## **JOHANNIS AND GUTIERREZ VOW TO INCREASE ACCESS TO CAPITAL FOR RURAL MINORITY BUSINESSES**

*Expanding Minority Business Investments Will Be Focus Of Listening Forums*

WASHINGTON, April 5, 2005 – Agriculture Secretary Mike Johanns and Commerce Secretary Carlos Gutierrez today announced that they will hold a series of three listening forums across the country as part of the Bush Administration effort to increase minority business ventures.

“Enhancing the economic opportunities available to minority businesses benefits the U.S. economy by increasing economic prosperity and job creation,” said Johanns. “These listening forums will bring new insight into ways USDA can better serve entrepreneurs access the capital they need to start or expand rural minority businesses.”

“The growth rate for minority owned businesses over the past several years has exceeded that of all U.S. firms. With this growth, we see wealth and job creation, civic participation, increased tax revenues and overall community sustainability,” added Gutierrez. Our goal is to unleash the entrepreneurial spirit that exists in minority communities in rural America so our nation is stronger and more competitive.”

The forums are designed to elicit recommendations from local leaders and business owners on ways to improve the delivery of USDA’s business programs to minority entrepreneurs. Johanns and Gutierrez made the announcement during a meeting today with key business, community and financial leaders.

USDA and Commerce officials said that the listening forums are components of a partnership developed in June of 2004 to educate minority business owners about funds available for rural economic development. USDA Rural Development and the Minority Business Development Agency at the Department of Commerce are leading this effort. The focus of the forums is to hear from rural minority residents and community leaders on ways to improve minority access to USDA Rural Development’s lending and other business programs. Also participating in the forums will be representatives from other Federal agencies dedicated to increasing capital access to support new and existing business ventures.

Johannis noted that, in addition to the joint effort with Commerce, USDA Rural Development has implemented over the last year a comprehensive outreach effort to increase the awareness of the more than 40 USDA housing, business and community infrastructure investment programs that are available to help rural individuals and communities increase their economic opportunities and improve their quality of life.

One of the programs to be discussed will be The Business and Industry (B&I) Guaranteed Loan Program, which helps to create jobs and stimulates rural economies by providing financial backing for rural businesses. This program provides guarantees up to 80 percent of a loan made by a commercial lender. Another program to be discussed will be the Intermediary Relending Program (IRP) that is used to finance business facilities and community development projects in rural areas. A special emphasis has been placed on increasing awareness amongst qualified underserved residents and communities who currently are unaware of the investment funds available.

The Regional forums will be held in three locations: Clarksdale Miss. on May 25, 2005, cosponsored by the Delta Regional Authority; Albuquerque, N.M. on June 21, 2005; and Fresno, Calif. on July 21, 2005. Further information on specific locations and times will be posted on USDA and Commerce's websites: [www.rurdev.usda.gov](http://www.rurdev.usda.gov) and [www.mbda.gov](http://www.mbda.gov).

USDA Rural Development has invested over \$50 billion since the beginning of the Bush Administration to provide equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. As a result, over 800,000 jobs have been created or saved through these investments. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

MBDA is the only federal agency created specifically to foster the establishment and growth of minority-owned businesses in America. Through its nationwide network of business development centers, MBDA provides business counseling and program services to assist minority-owned companies to grow and expand. MBDA actively coordinates and leverages public and private sector resources and alliances to support its mission. More information on MBDA's services and the locations of business development centers can be found at [www.mbda.gov](http://www.mbda.gov).